

NEWS RELEASE



***OFFICE OF THE UNITED STATES ATTORNEY
SOUTHERN DISTRICT OF CALIFORNIA
San Diego, California***

***United States Attorney
Carol C. Lam***

For Further Information, Contact:

Assistant U.S. Attorney Sherri Walker Hobson at (619) 557-5027

For Immediate Release

NEWS RELEASE SUMMARY - March 7, 2005

United States Attorney Carol C. Lam announced that Bradley DeGraff was sentenced today in federal district court in San Diego. United States District Court Judge Larry A. Burns sentenced DeGraff to serve a term of 51 months in custody, followed by 5 years of supervised release, after his plea of guilty, on September 4, 2004, to the offenses of conspiracy to manufacture marijuana plants and conspiracy to launder over \$250,000 to facilitate the drug conspiracy. As part of his guilty plea, DeGraff forfeited a total of \$252,582 in cash and a Lexus automobile.

At the time of his plea to both felony offenses, DeGraff admitted that he managed and operated eight marijuana grow locations in rental homes throughout San Diego County in partnership with others. He admitted playing a managerial and leadership role in the conspiracy to manufacture marijuana plants. DeGraff also agreed that he conspired with others to conduct financial transactions, such as paying rent and paying for electricity, from the proceeds of manufacturing marijuana plants, with the intent to promote the carrying out of his criminal activity. According to court documents, DeGraff and his associates paid over

\$272,000 in rent and electrical usage for the eight locations during the course of the conspiracy.

According to Assistant United States Attorney Sherri Walker Hobson, who prosecuted the case, the defendant was arrested following the execution of twenty-four (24) federal search warrants in San Diego County on March 19, 2004, by the Drug Enforcement Administration and the San Diego Narcotics Task Force. Four indictments were subsequently returned, charging 20 defendants with conspiracy to manufacture marijuana plants. The six-month investigation targeted several indoor grow operators in San Diego County, including Bradley DeGraff. DeGraff used rental residences located throughout San Diego County to cultivate high-grade marijuana for commercial gain and profit. According to court documents, the managers of the grow operations, all residents of San Diego County, used sophisticated venting and lighting systems, and irrigation systems placed on timers to facilitate their operations.

United States Attorney Lam praised the Organized Crime Drug Enforcement Task Force (OCDETF) for the coordinated effort in this investigation and successful prosecution of 23 defendants. Several local, state and federal law enforcement agencies assisted DEA in this OCDETF investigation. The OCDETF program was created to consolidate and utilize all law enforcement resources in this country's battle against major drug trafficking.

U.S. Attorney Lam stated, "Marijuana growers will not be tolerated in our community."

Jack Hook, Acting Special Agent in Charge of the San Diego office of the DEA stated, "Today's sentence shows that marijuana cultivation is as significant as all other forms of illegal drug trafficking."

Denise L. Rubin, Special Agent in Charge of the IRS Criminal Investigation Division in San Diego stated, "IRS CID plays a unique role in federal law enforcement's counterdrug effort in that we target the profits and financial gains of narcotics traffickers which comprise a significant portion of the untaxed underground economy."

DEFENDANT

BRADLEY DEGRAFF

SUMMARY OF CHARGES

Conspiracy to Manufacture Marijuana (100 marijuana plants or more) in violation of Title 21, United States Code, Sections 841(a)(1) and 846. Penalties: 5-year minimum mandatory; 4 years of supervised release.

PARTICIPATING AGENCIES

Drug Enforcement Administration
San Diego Narcotics Task Force
United States Marshals Service
Internal Revenue Service